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Alison, Archibald

A lecture on the currency

Birmingham printed

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No 3
A LECTURE

ON

THE CURRENCY,

DELIVERED IN THE

CITY HALL, GLASGOW,

BY

SIR A. ALISON, BART.,

ON

TUESDAY, MARCH 15, 1859.

SIR JOHN MAXWELL, BART.

IN THE CHAIR.

Reprinted from the "Glasgow Morning Journal" of March 16, 1859.

BIRMINGHAM :

PRINTED AT M. BILLING'S STEAM-PRESS OFFICES, LIVERY STREET.

PRICE TWOPENCE.

THE FRIENDLY DISCOURSE OF THE CELEBRATED HISTORIAN

SIR ARCHIBALD ALISON

WITH THE CITIZENS OF GLASGOW, ON THE 15TH OF MARCH, 1850,

ON OUR

WICKED, DESTRUCTIVE, DISHONEST, TYRANNICAL
CURRENCY LAWS.

Published by the "Glasgow Morning Journal" of March 16th, 1850.

The CHAIRMAN, in introducing Sir A. Alison to the meeting, passed a high eulogy upon him as one of the greatest friends to his country, and one of the ablest recorders of his countrymen's deeds both in peace and war.

Sir ARCHIBALD ALISON then presented himself, and was received with three rounds of loud cheering. After this had subsided, the learned Sheriff invited the parties standing in the passages to come forward and fill the two or three front seats which were empty. This caused rather a laughable scene, for not only did the parties referred to change their position, but many who wished to be further forward left their seats, and to their astonishment in many cases were unsuccessful in securing the exaltation they desired. After the hubbub had subsided, the lecturer said—I have responded with pleasure to the flattering invitation of the United Trades' Council of Glasgow to address them *on the all-important subject of the currency.* It is always agreeable to meet a vast assemblage like that I see before me, and especially when they are met together not for the purpose of party nor any thing that might occasion division, but animated by one feeling, and that feeling the desire to *elevate as much as possible the whole nation, to abate the amount of human suffering, and add to the amount of human happiness.* (Cheers.) I see with peculiar pleasure so large a proportion of the *working-classes* in this assembly, for the question you have done me the honour to ask me to address you upon is *emphatically the question of the people.* It is not a question of labour against capital, for labour without capital is like a steam engine without coal or fuel of any kind; but it is a question of labour, whether executed on the part of masters or workmen, of active industry either by the one or the other party, against realised capital which often seeks to make an unjust profit from both. (Cheers.) A question of this sort is always of great importance in every manufacturing and commercial community; and I assure you before I have done I will show it is one that has now assumed *great and colossal*

importance, in consequence of the great changes that have taken place in the establishment of a new system of trade, and in the annexation of our Indian Empire. I look upon this also as a time when the industrious classes of this and other great towns should acquire a distinct idea of the causes of suffering that exist, and where the alleviation of it is to be found; for they are, as I believe, upon the verge of receiving a large accession of political power—(cheers)—and they will soon have a preponderating influence in the future councils of their country. (Applause.) I may presume that the reason why you have done me the honour to request me to lecture to you upon this question is that you think because I have been called upon to study contemporary history I am acquainted with a great many facts which you would like to have laid before you in a short form. Impressed with that idea, I have determined to speak to you entirely extempore, and accordingly I have written nothing but a few figures; for I don't intend to address you as a professor his students, or a clergyman his congregation, or as a political leader: I shall converse with you as a friend does with his friends. (Cheers.)

Before I begin to speak of this question I shall tell what the question is not, and then I will tell you what it is. It is not, in the first place, a question of party; and I thank Heaven it is not. It is not a question which either the Tories or the Whigs, the Conservatives or the Radicals have taken up—it has never been used as a party cry, like Protection. The question that I stand here to plead for it is not a question of party, but a question that I know well is one of the deepest interest to money, and I need no other proof of that than the vast assemblage I see before me. It has never been a *cri de guerre*; and I will tell you the reason why it has never been a party question—because, the object we have in view is not to elevate one party above another—not to give one party the command of the country—but to elevate and improve, and bless all ranks and all parties—and it is what concerns no one particular branch of society. I will tell you it is not a question that by any possibility can be interesting to the feelings, but it is interesting in the last degree to those who can feel the force of intellect, whose understanding can be directed to logical questions; and while it is not possible to make it move the feelings, it is a question that depends upon figures and statistics. It is not a question, also, that is easy—it requires in the outset a certain amount of thought; and it is that circumstance that makes it difficult, so that it has never got hold of the great mass of the community, but who must grapple with it before this country comes into the position—as it should be—of having a happy and prosperous community.

Now this is a question upon which depends the liberty, the independence, the existence of the British empire. I tell you—and I stake my credit upon it—that if the present state of the currency laws continues, no man of wisdom, no man of valour, neither our soldiers, nor our brave sailors can prevent the decay of this country, and our subjugation by our neighbours. I say this question has to do with the liberty, the independence, and the existence of Great Britain, and I will demonstrate that to you before you are half an hour older. It is a question also upon which depends the happiness, the remuneration of the industry, and the prosperity of every human being in the country. (Cheers.) I need not say that a question

of that character is of universal interest; and although I cannot say I will make it move your feelings, yet the facts that I will state I hope will sink into your minds, and awake a train of thought in your bosoms which shall conspire with other things to bring society in this country to a uniform aspect of prosperity, instead of being marked by occasional times of prosperity, which are rendered great contrasts with the gloom and gold with which they are surrounded. (Applause.)

Now, the first observation that I will make is, that if we examine the state of the country as it has been for the last forty years, all parties must confess that there is something essentially wrong in our social position. There is something in the profits of labour, the talents, the perseverance, the energy, and industry of this vast community which gives us vast national power, and which should lead us to look for a vast unbroken dream of prosperity. There is something that makes an impellment between the cause of national strength and the cause of national prosperity; and what we are entitled to expect should follow; and my object is to show what that cause is and how it is to be removed. Now, since the year 1810—when the great change in our monetary laws took place—there has been a double set of facts introduced apparently inconsistent with each other, but which, nevertheless, are perfectly established; and it is for us to see how these opposite facts are to be reconciled. In the first place, I will give you the figures of the exports and imports, the population and tonnage of Great Britain in 1819, and the preceding and succeeding year, and you will see the vast and prodigious increase that has taken place, the increase showing the greatest amount of national strength and social prosperity. In 1818 our exports were £15,180,000, and the imports £35,815,000; in 1819 our exports were £34,252,000—our imports were £29,680,620; in 1820 our exports were £35,569,000, and imports £31,515,000. Then the tonnage of the shipping in 1818 was 2,674,000 tons, in 1819 it was 2,666,000, and in 1820 it was 2,500,000. The population of the empire in 1819 was as near as possible nineteen millions. That was the state of the empire, then, in 1819, when cash payments were resumed. During the last four years the following was the state of the exports and imports of this country:—In 1854 the exports were £97,185,000; imports, £152,380,000; and shipping tonnage 7,899,000. In 1855 the exports were £95,688,000; imports, £148,542,000; shipping, 7,018,000. In 1856 the exports amounted to £115,826,000; imports, £172,544,000; shipping tonnage, 8,241,661. In 1857 the exports were £122,066,000; imports, £187,844,000; shipping tonnage, 9,386,000. Now, according to these figures—and they are taken from the Parliamentary documents, which is sufficient proof of their correctness—whilst an increase of the population to the extent of a half had taken place, the exports of the country had more than trebled, and the imports had increased more than fivefold, and its shipping threefold, every one would see that, and take it as an indication of the greatest prosperity that had ever taken place in the annals of any country. So far so well. Now he would tell them whether the national strength and national power had kept pace with this vast increase of national resources. The figures he was about to adduce were most astonishing to himself, and he could not have believed them if they had not been given on the best authority—they were given by Sir John

Pakington, the First Lord of the Admiralty, in regard to the state of the navy. He would first adduce figures with regard to the national strength during the last 40 years, and then state what the social prosperity of the country had been. In the year 1760 we had 113 sail of the line; in 1783, during the American war, we had 126; in 1799, during the French war, we had 120; in 1809, 113—all in commission; in 1812 we had 245 ships of the line in the harbours of the country, and 272 frigates—in all a thousand vessels bearing the Royal flag; whilst in 1812 the French had 113 ships of the line and 72 frigates. In 1820 the British had 146 ships of the line and 164 frigates; the French 59 ships and 99 frigates. In 1840 we had 89 ships and 180 frigates; the French 44 ships and 59 frigates. In 1850 we had 86 ships and 104 frigates; whilst the French had 45 ships and 56 frigates. And in July, 1858, we had only 29 sail of the line and 87 frigates; whilst the French had 29 ships and 76 frigates; and at the end of 1859 this country would only have 36 sail of the line. Now there was a picture of a nation adding a half to its population whilst it was letting its navy go down! and now the French had got a larger fleet than this country, and we had not the ability to defend our shores. That surely proved that there was something wrong. But was the decrease of the navy owing to the increase of the army? They would see by statistics given by Mr. Sidney Herbert. In 1828 the home service numbered 53,934 men, and 25,559 in India. In 1836 there were 43,432 men on home service, and 19,720 in India. In 1846 there were 56,286 on home service, and 29,182 in India. In 1856, 64,541 were on service at home, and 29,619 in India, where there were 120,000 Sepoys on the edge of revolt, with a population of 180 millions. Now, he would take them a little further, and on the authority of Lord Hardinge, who had informed him himself, that when he came to the head of the army in 1852, he could not have got more, after the sea ports and other garrison towns were supplied, than 10,000 men and only 40 guns to defend London, and as many of the guns had not been repaired since Waterloo, he believed that most of them would have gone to pieces if they had been brought on a clay field. (Laughter and cheers.) Now they saw that this great country, with a population of more than 27 millions, with an annual shipping tonnage of 9 millions, with £187,000,000 imports, and £122,000,000 exports per annum, has sunk down to the position of Bavaria as a military power, and Denmark as a naval power. Was the reason for this because our resources were being applied to reduce national debt? Why, after the battle of Waterloo it was £816,000,000; now it was £803,000,000; and it was 5 millions larger when the Crimean war was begun than in 1832, when the Reform Bill was passed. Did that not show them there was something wrong?

Now, turn to another thing, which, taken as an indication of national prosperity, was of still more importance—he meant the social wellbeing, particularly of the working classes. There were three tests to be applied to this matter—the amount of pauperism, the amount of emigration, and the amount of crime. These he would apply to the condition of this country. In 1846 the paupers relieved in England amount to 1,332,080, of whom 382,417 were able-bodied men; in 1847 there were 1,721,350 relieved, of whom 562,355 were able-bodied; in 1848 there were

1,626,201 relieved, 666,338 being able-bodied men. They all knew that a great relief had been brought to this country by the mines of California and Australia, and also the Indian War; but still, in 1854, there were 1,069,578 paupers in Great Britain and Ireland; in 1855 there were 1,017,117; in 1856 there were 1,030,737. Now, these were paupers; and he asked them, was that the position which this country should occupy which had increased so largely in wealth?

Now, look to the state of emigration. In 1821 there were 13,349 persons left the shores of Britain and Ireland. In 1831, 83,160 left; in 1841, 118,192; in 1851 there were 335,966; and, in 1852, 368,800, the highest number in any year that emigrated from these shores. During the last 12 years 2,750,000 subjects of Great Britain and Ireland had left this country, and for the first time during the last four centuries has the increase in population in these islands stopped. Statistics proved, also, that during a period when the population of the country had nearly doubled itself, crime had increased nearly fivefold, and that was a circumstance perhaps unparalleled in the history of the world. The country had made a most extraordinary advance in wealth, industry, and population, and yet it had arrived at a deplorable state of prostration of national strength, and had descended from a first-rate to a third-rate Power at the same time that emigration and population had greatly increased.

Now, the facts which he had mentioned were well worthy of the most serious consideration, for they would appear to indicate that there was something rotten in the state of Denmark. He felt bound to state what he conceived to be the cause of so curious a state of things, and afterwards he would state a remedy. (Hear, hear.) *Well, then, the cause of all this was the erroneous state of the currency.* It might be said that in describing the currency as the cause of all this, he was assigning a trifling cause for events apparently unexplainable, but let them go back and see what the currency had done in other days, and in other countries, and it would be seen that in more than one case the currency had exercised a most painful effect.

It might not perhaps be generally known, but it was first pointed out by Lord Melbourne, an accomplished classical scholar, that the contest between Rome and Carthage was decided neither by the ability of Scipio nor of Hannibal to the same extent as it was by the establishment of a paper currency. In Rome notes were issued bearing interest, but not payable in cash till after the war. In fact, it was curious to observe that the same operation was performed centuries before the birth of Christ which Pitt subsequently adopted. The great impulse given to trade and industry in the 16th century was owing to the discovery of Mexico and America, and the subsequent discovery of the mines in Mexico and Peru, by which such a mass of metal was set in currency; and with the increase in price everything had rose to nearly double, and with the increase in price everything rose, and with it the wages of labour and the produce of industry—and that was the real history of the progress of commerce during the 16th century. In 1793 this country was engaged in a war with France. France, however, established a paper currency, which enabled her to fit out the immense armies with which she fought against and overcame the whole of Continental Europe. In the year 1797 Mr. Pitt framed an act suspending cash payments; and the consequent increase in the issue of notes

enabled this country to carry on the war with France; and, subsequently, the allies generally took advantage of the hint, and, in 1815, no supplies of gold were sent to the army; but paper notes were issued, on the guarantee of Russia, Austria, and Prussia; and with these notes all stores were paid for—the troops were paid, and they could be passed without depreciation from the wall of China to the gates of Paris. (Hear, hear.) So powerful, indeed, was the effect of a paper currency, that it enabled Hungary, a small State, by issuing £14,000,000 sterling of paper currency, to levy troops and maintain, not only an equal combat with powerful Austria, but a combat in which she would have been successful, and the result of which, but for the interference of Russia, would have been to render Hungary independent. Such were some of the effects which have been produced by a paper currency, and no doubt it adoption had saved many nations from ruin. It was not altogether, however, on one side, for if there was safety on the one hand, there was equal danger on the other, when a paper currency was issued without restraint. A paper currency was an elixir of life; but it was an elixir which, taken in undue quantities, would destroy life as readily as it would save if properly taken. Of that there was one memorable example in the case of France. During the Revolution assignats were issued which every one was bound to take as cash. Now, when that system commenced, the currency of France was about £60,000,000, but they continued issuing paper until it arrived at the enormous sum of £750,000,000, sterling, and the result of such an issue might have easily been anticipated. Its effect naturally was to alter prices so much that in a short time it was common to say that a breakfast for six persons, for which a louis was paid, cost 1200 louis in assignats. The result was that the immense debt could not be discharged; and a few persons who could manage to steal or otherwise get possessed of a few sovereigns, could have purchased an enormous quantity of the paper currency. In fact, the whole capital of France was virtually ruined. Well, then, what was the ultimate result? Why it was that France is at the present moment under a despotism as injurious as that of Louis the Fourteenth, and that mainly owing to the effects of the circumstances to which he had referred. In Great Britain effects so disastrous have not been produced, but still an extension of the paper currency without proper care and due restriction had led to important results. In 1815 our paper currency amounted to £60,000,000, which was a much larger sum than was required, and nearly double what it was at present, and the consequence was that prices rose until they were three times as high as they had been in 1797, and it became necessary for the nation to borrow upwards of £5,000,000; whereas, if there had been no rise of prices, a loan of £3,000,000 would have been sufficient. Persons borrowed money upon the belief that prices would never fall, both landed proprietors and merchants, and if they had remained what they were, £5,000,000 of private debts would not have been incurred. The ultimate result was, that all the riches became accumulated in the hands of the money-lenders.

He must request their close attention to what he was going to advert to next, for he was going to advert to the very "ponasinatorum" which so many found impossible to get over, and from which he was sure ninety-nine persons out of every hundred would be glad to turn away, and say

they did not understand it; and it thus made the very point upon which the future fortune and prosperity of the country depends. The proposition which he had to lay before them was one which was at the whole root of the system. It was a general proposition that everything plentiful became cheap; and money was an article of commerce just as bread was, and when it became plentiful it became cheap; but when money became cheap everything else became dear. If gold became plentiful prices rose; but when the currency was contracted, and the gold went away, prices immediately fell. If, then, in the absence of gold, there was an increased paper currency, the effect would be to keep up prices—and speculation would rise, profits would be made, and the wages of industry would increase; but if the currency be taken away, down went the prices, and also the profits. The present Currency Act was passed in 1844, and extended to Scotland in the following year. By that Act it was rendered incumbent on the Bank of England to receive all the gold brought to it by any person, or from any part of the world, the object being to make the Bank of England the great emporium of gold throughout the world, and the price was fixed at £3 17s. 9½d. an ounce; and at the same time, the amount of notes which the Bank could issue without having sovereigns to cover them was settled. Under such a system the currency might be said to be almost entirely dependent upon the retention of gold; because the Bank of England was obliged to retain £7,000,000, or £8,000,000, in gold, which it could not issue under any circumstances; and consequently the Bank of England was compelled to clap on the screw and curtail its issue whenever the gold in her coffers descended; because, when they found the gold going down, they knew that they were coming to the limit, and when they came down to the £8,000,000, they would be positively bankrupt. In that case other banks follow the example and all put on the screw together, as was done in 1857.

He would now advert to the crises which had taken place in this country, and show that all of them could be explained by reference to the erroneous state of the law. The first crisis occurred in 1819, then followed the resumption of cash payments, which had a great effect on the imports and exports. In the year before the bill passed, 1818, the exports amounted to £45,180,000, and the imports to £35,845,000; in 1819 the exports were £34,252,000, and the imports, £29,651,620, so that both the exports and the imports fell off £10,000,000 the moment the bill passed. Now, what could be the reason for that? He traced it to the operation of the Act of 1819. He then referred to the crisis of 1823, caused by South American speculation, when twelve millions of sovereigns were drained from this country to carry it on, so that the gold was nearly all drained from the Bank of England when the directors of that bank had to apply to Government to suspend cash payments, and when, by the happy thought of a clerk in the bank, who remembered that there was a box lying in a room containing two millions of old notes, which were issued to the public, this country was saved from bankruptcy. He next adverted to the crisis of 1835-36, brought about by American political intrigue, when a cry against the banks was got up, and when President General Jackson and the Legislative Houses passed a decree to the effect that no payments of taxes or for town lands should be received except in gold. That induced a crash, which reduced the imports of America from this country, which in 1836

had been £12,000,000, down to £4,000,000, the effect of which was an immense drain of gold from this country, to meet this demand of General Jackson, of not less than £9,000,000, or £10,000,000. That had a most serious effect upon the Bank of England; and to save this country again from bankruptcy we had to get a loan of £2,000,000 from the Bank of France. Then came on an amount of suffering which lasted four years, and then another start was made, and things went on until 1845-46, when there was another halt, and the whole system of the country was changed by the introduction of Free Trade. Now, that was a most important step in reference to the currency; and he contended that that change in our policy in regard to trade must be followed by an alteration in the currency laws, or a continual recurrence of disorders like that of 1848. The state of matters in that year they were well acquainted with. The Irish famine was in 1846, when a great importation of grain took place, the duties being taken off. Previously, the greatest amount of grain that had been brought into this country amounted to 2,500,000 quarters; but in 1847 there were 10,000,000 entered. That grain had to be paid for by something, and it was gold and silver that was given away, so that in 1847, £33,000,000 sterling went out of the country in consequence of the foreign trade. He then showed the effect of that upon the commerce of this country. In 1847, the exports amounted to £58,840,000, the imports, £90,921,000; in 1848, exports, £52,849,000, imports, £93,547,000; in 1849, exports, £63,596,000, and imports, £105,874,000.

Now what was the effect of the great increase? and he was not complaining of Free Trade, which he took as a settled, fixed policy; but he asked that in this being fixed, that the currency laws be modified to a certain degree or the country was ruined. In 1848 there was a balance of 40 millions of pounds of imports over exports, and that balance was paid in gold and silver. The paupers in 1847 numbered 1,271,350; and in 1851 the emigrants who left our shores were 335,966 in number—showing clearly by the great abstraction of the precious metals an immense amount of misery had been entailed upon the people of this Kingdom. (Hear, hear.) He need not tell them of the effect of the gold discoveries in California and Australia before 1852; the whole gold annually introduced into this country from the whole world was only between £5,000,000 and £9,000,000; but it had been raised to £36,000,000. (Cheers.) In it was contained the history of the resurrection of England, as showing her resources in the Crimean war, and by the suppression of the Indian revolt. That £30,000,000 had been added to the country's resources by Providence pointing out the mines of California and Australia, it had been gained not by the wisdom of man but by the goodness of God. (Cheers.) That was what had occasioned the immense imports and exports, and which had rendered it possible for the taxation of the country to be raised from £55,000,000 to £75,000,000, just as it enabled the country to fit out the army which stemmed the torrent of barbarian ambition, and asserted the dominion of Britain upon Indian soil. (Hear, hear.) The very effect, however, of that great prosperity in consequence of the gold discoveries had been to open out another source of evil, which gave rise to the crisis of 1857. Under the existing currency, directly gold began to leave the country credit began to be shaken; but when prosperity fell in there was a great

rise in wages and a great increase in consumption, especially among the working classes, as was the case in 1845 and 1846 during the railway mania. The effect of the present law was that years of prosperity should be followed by periods of depression on account of that very great increase of consumption. It appeared that year after year the proportion of the imports of the country to its exports were increasing, and money was sent out of the country. Now there was no great harm in sending money out of the country and getting grain for it, but what he complained of was the present system of currency caused the credit of every bank, the wages of labour, and the profits of trade dependent upon the detention of gold by the Bank of England, and at the same time a system of commerce was established which rendered that detention impossible. The axiom was undeniable that a rich country imported more than a poor country, because the consumption was naturally greater; and at present the imports from India amounted to twenty-three millions, as against twelve millions of exports to India; and from the unsettled state of the country and from other causes, there was little probability for some time of these exports increasing.

What they had to consider now was this. They must look forward to a constant excess of imports over exports occasioning an unusual drain, and how were they to reconcile that with the principle that, as gold was sent out of the country, the circulation of notes would be restricted. Another effect of the Act of 1844 had been greatly to vary the rate of interest. For a hundred years before that Act, with an exception in 1857, interest had never varied much from 3 per cent.; but since then it had varied from 2 to 10 per cent., producing in many individual cases great hardship. He did not blame the bank for that; for, under the present law, they were obliged to raise the rate of discount, or else they would become bankrupt. It had been often said that the evils of those crises arose from undue speculation, and undue extension of credit; but the fact of the matter was, that it was the state of the law itself which gave rise to undue speculation. When the Bank of England lowered the rate of discount other banks did the same, and the result was that not only was the currency curtailed when it should be extended, but speculation was encouraged. As regarded the directors of the Western Bank, he did not blame them—neither did he defend them. They had acted recklessly and foolishly, but that recklessness had been forced upon them by the monetary law of England; and for the honour of Scotland he said, that the old Scotch law had enabled them to redeem their honour, for they had paid their debt in full. (Hear, hear.) It was not the weight of taxation and of the national debt which had any effect upon these crises, for at periods in her history when the country had never been more heavily taxed, she had never been in a more prosperous condition. If he had been of opinion that no remedy existed for such a state of things; if he believed that it was not possible to prevent the recurrence of these crises, he would not have been there that evening, but he would have been content to let matters take their course: but such was by no means his opinion, for he thought that he himself could suggest a remedy. (Hear, hear.) The principle of Sir R. Peel was to diminish the number of the notes as the gold itself went down. Now, his principle was the exact converse. (Hear, hear.) He would say, as the gold diminishes increase the number of notes. (Hear, hear.) From

1810 to 1815 there was hardly a shilling in the country, and yet there was no monetary crises, and that was simply because there was a plentiful issue of notes. In the year 1848, in consequence of the revolution in Paris, there was a dreadful monetary crisis, but the Bank of France had the wisdom to issue notes to the extent of £18,000,000 sterling, and the consequence was that credit was restored, and 120,000 men who would have been thrown out of work were again employed, and before the end of the year the gold all came back again. At the same time he was of opinion that some restriction was absolutely necessary, which he should place at 50 per cent. lower than that of Sir R. Peel. Sir R. Peel fixed upon 14 millions as the amount beyond which the bank should not issue notes exceeding the gold in her coffers; but considering the increase of population, he would fix it at 21 millions. There would be no objection to allowing all banks to issue notes provided they deposited in the Bank of England Government securities sufficient to meet the whole amount issued. (Hear, hear.) He would also have a regulation that when the gold sunk below a certain sum, say 15 millions, then, that inconvertible notes bearing interest should be issued, which should be taken up when the gold came in again. (Hear, hear.)

Before sitting down he wished to impress upon workmen that to strike was a most frightful mistake. It was not correct to say that no strike had ever been successful; but those only had been successful which had taken place during a rising market. No doubt a workman was entitled to ask for an increase of his wages if the produce of his labour was rising; but the great error generally committed is, to think that wages can be prevented from falling in time of adversity. When the produce came down, an employer would very likely not be able to afford the same rate of wages, or he certainly would do so rather than part with old hands. As an instance of the disadvantage to the workmen themselves of a strike, he might mention that the strike of 1842 cost them in wages £500,000; while in 1857 the strike in Lanarkshire, Ayrshire, and Stirlingshire had cost £700,000; and the total loss of the strikes of 1825, 1838, 1847, and 1857, had been 5 millions. He was not speaking to them in the interest of the masters. He cared nothing about the masters; but it was entirely for their own sake, and he would advise them, if they combined at all, to combine not against their masters, but against the law which compelled their masters to reduce their wages. (Hear, hear.) The learned Sheriff in conclusion, thanked the audience for the attention with which they had listened to him, and resumed his seat amidst loud and protracted cheering.

A vote of thanks to Sir A. Alison was cordially given, and shortly afterwards the meeting separated.

END OF
TITLE